

**Iowa Telecommunications & Technology Commission  
Grimes State Office Building, 1st Floor  
400 E. 14th Street, Des Moines, IA 50319**

**FINAL**

**June 15, 2011**

To ensure the most efficient use of State resources, the June 15, 2011, ITTC meeting was held via a conference call pursuant to Iowa Code section 21.8. A video conference call also ensured more Commissioners were able to participate in the meeting and reduced the risk of delays caused by weather or other impediments to travel. The meeting was accessible to members of the public through attendance at the Grimes State Office Building.

**Commissioners Present**

Betsy Brandsgard, Chairperson (Telephonic)  
Robert R. Hardman, Member (Telephonic)  
Shannon Cofield, Member (On-Site)  
Richard Bruner, Member (On-Site)  
Tim Lapointe, Member (Telephonic)

**Iowa Communications Network Staff Present:**

Dave Lingren, Executive Director  
Joseph Cassis, Business and Governmental Services (BGS) Director  
Kevin Heinzeroth, Finance Director  
Phil Groner, Business Services Manager  
Tami Fujinaka, Government Relations Officer  
Alexis Slade, Executive Secretary (Recorder)  
Chris Hannan, Government and Public Relations Intern  
Shweta Agrahari, Finance Intern

**Guests:**

Mike Eggle, Iowa Network Services (INS)  
Meghan Gavin, Attorney General's Office (AG)  
Joe Hrdlicka, Iowa Telecom Association  
Mark Johnson, Department of Administrative Services (DAS)  
Marcia Tannian, Legislative Services Agency (LSA)  
Anna Hyatt-Crozier, House of Representatives

**Call to Order**

Commissioner Brandsgard called the meeting to order at 10:32am. It was noted that a quorum of members were present for the meeting.

**Approval of the 05/19/2011 Meeting Minutes:**

Hardman made a motion to table the approval of the May 19, 2011, minutes until the July 21, 2011 ITTC meeting; Bruner seconded the motion: A roll call vote was taken; Minutes tabled.

Commissioner Hardman – Yes  
Commissioner Bruner – Yes  
Commissioner Lapointe – Yes  
Commissioner Brandsgard – Yes

**Old Business:**

**Legislative Update - Dave Lingren/Mark Johnson**

The remaining bill in relation to the ICN is House File (HF) 697 which is a bill that came out of the House initiated by House Republicans and contains many of the budgetary items affecting the ICN. The biggest impact to the ICN is the appropriation funds we receive for the infrastructure. A two year budget is being worked into

that bill and which would authorize \$2.2 million in appropriations to the ICN in the Fiscal Year (FY) 2012 budget and the same amount in the FY 2013 budget. Those funds will primarily go towards the purchase of equipment and the upgrade to the Capitol Complex telephone systems. In HF 697 there is also language to extend the date for when the ICN must comply with the Request for Proposal (RFP) to sale/lease the ICN. That language in the original bill states that the ICN must complete the RFP by July 1, 2012. The language in the new bill would give the ICN a 12 month extension (June 30, 2013). The ICN is unsure of what the legislation means by “completed”. Some questions the ICN has are what will happen if there’s an appeal and it needs to go to the Department of Inspections? Will that appeal have to be completed within the timeframe that’s allocated? The extra time to complete the RFP would give ICN time to figure out those specifics with the assistance of the Governor’s office. Also included in HF 697 there was language clarifying that the ICN will not have to give back appropriation funds for the infrastructure that’d been made for the ICN in FY’s 2010 and 2011.

#### **HF 45 RFP Process Update – Dave Lingren**

The House has approved HF 45 and is currently in the Senate. There is one problematic clause that the House put in the bill which states that “by the completion of the RFP process the statutory requirements set forth in 8D would have been fulfilled.” The concern is the current language puts all the risks and decisions on the ITTC rather than having it run back through legislation for approval. For the meantime, the ICN must continue to operate with the existing timeline of June 30, 2012. Because the Department of Administrative Services (DAS) and the ICN have had no experience in privatizing a publicly held telephone company, the ICN was looking into the possibility of contracting help to provide some direction. The ICN was going to do an emergency procurement, which we have a right to do under Chapter 8A, Code of Iowa. ICN conferred with the Auditor’s office (Andy Nielsen), who manages a lot of the sole sourcing and emergency procurement for the Auditor’s office, and the Attorney General’s office (Megan Gavin). Although there is language in the Code of Iowa allowing the ICN to sole source, Nielsen and Gavin pointed out that there would be a certain amount of risk involved in not doing a Request for Proposal (RFP) to hire a contractor. Doing an RFP to get a consultant will make it impossible for the ICN to meet the current deadline, but it is better to have the knowledge that the ICN did it legally and right and have justification as to why we were late in getting the RFP completed. The ICN’s recommendation to the ITTC is that we do an RFP to find a consultant to help us with the management of creating an RFP for the sale/lease of the ICN.

Q. Does HF 45 give the ICN an extension until June 30, 2013?

A. No, there’s language in HF 697 that’s currently in the House that gives the extension, but the Senate has not taken it up or approved it at this time.

Q. Did you receive any responses from the RFI that was sent out?

A. The ICN sent out 21 RFI’s and received three responses back. The responses were from Fiberutilites Group (FG), Neo Fiber out of Colorado and one from an organization out of Texas but they don’t appear to be qualified to do this job.

Q. How will the ICN narrow the search to those with the experience to do this kind of RFP?

A. The Auditor’s office suggested we target the big four accounting and consulting firms.

*NOTE: The consensus of the Committee is that they support ICN’s actions to get the RFP process underway for a contractor to assist the ICN in writing an RFP for the sale/lease of the ICN.*

#### **Broadband Technologies Opportunities Grant (BTOP) Project Progress – Joseph Cassis**

The National Telecommunications and Information Administration (NTIA) site visit was conducted on June 13, 2011 – June 14, 2011. The purpose was to identify potential weaknesses with ICN’s project management, financials, reporting, and all the compliance requirements for the BTOP federal grant. The site visit was also to identify any potential red flags that would prompt the Inspector General’s Office to conduct an audit, because that can be quite extensive. ICN’s Federal Program Officer (FPO) and her Director joined the BTOP team for this site visit as well as ICN’s sub-recipients, the Sac and Fox Tribe of Iowa and the Decorah MetroNet.

**Video Service Project (VSP) Update – Phil Groner**

The core equipment did go out for bid and the ICN selected a vendor. Contracting will be issuing a purchase order by June 20, 2011, for that equipment. ICN is also continuing the test phase with test customers or what ICN calls early adopters. Area Education Agency (AEA) 11 has completed a lot of their video room reconstruction where they were converting standard MPEG classrooms into a multipurpose multifunctional room. The VSP is also testing session control at live sites. Session control gives customers the ability to control and manage their video conference session when there are multiple participants.

**Adoption of Administrative Rules: Action Item – Tami Fujinaka**

The Administrative Rules have been noticed. ICN did not receive any comments from the public regarding the rules, but ICN did go before the Administrative Rules Legislative Commission to provide a brief overview of the Administrative Rule changes and the Commission didn't have any questions. The earliest these rules can go into effect is August 17, 2011.

Commissioner Bruner moved to adopt the new Administrative Rules; Commissioner Lapointe seconded the motion: A roll call vote was taken; The Administrative Rules were approved.

Commissioner Hardman – Yes  
Commissioner Lapointe – Yes  
Commissioner Bruner – Yes  
Commissioner Brandsgard – Yes

**New Business:**

**Law Issue (Closed Session) – Dave Lingren**

Commissioner Hardman moved that the ITTC go into closed session for the purpose of discussing law enforcement matters, which if disclosed would enable law violators to avoid detection as authorized under Iowa Code §21.5(g); Commissioner Lapointe seconded the motion: A roll call vote was taken and passed, as follows:

Commissioner Hardman – Yes  
Commissioner Lapointe – Yes  
Commissioner Bruner – Yes  
Commissioner Brandsgard – Yes

Commissioner Lapointe moved to adjourn the open session; Commissioner Bruner seconded the motion: A roll call vote was taken and passed, as follows:

Commissioner Hardman – Yes  
Commissioner Lapointe – Yes  
Commissioner Bruner – Yes  
Commissioner Brandsgard – Yes

The open meeting adjourned at 10:45 am.

*NOTE: All guests left the open meeting except for ICN staff and Meghan Gavin (AG).*

### **Discussion of Law Issue (Closed Session)**

Following the conclusion of the closed session, guests were invited to rejoin the meeting. Commissioner Brandsgard called the open meeting to order at 11:06 am. It was noted that a quorum of members was present for the meeting.

*NOTE: All guests re-entered the open meeting.*

The commission moved to approve the recommendation taken in closed session on the law enforcement matter; Hardman seconded the motion: The recommendation was unanimously approved.

Commissioner Hardman – Yes  
Commissioner Lapointe – Yes  
Commissioner Bruner – Yes  
Commissioner Brandsgard – Yes

### **Other Business:**

#### **Employee Recognition Committee (ERC) Sponsored Picnic – Tami Fujinaka**

The ERC annually hosts a picnic luncheon for ITTC Commissioners in the month of September. September is usually when the Commissioners get together for a face-to-face meeting to discuss video rate approvals. In Fiscal Year 2010 the ERC event was held at the Domes Park in Pleasant Hill. Because so many people liked that location the ERC will be having the picnic at that same location on September 15, 2011, following the ITTC meeting.

### **Adjournment**

Commissioner Bruner made a motion that the meeting be adjourned; Commissioner Cofield seconded the motion. With there being no further business, the ITTC Commission meeting adjourned at 11:40 am.

ATTESTED TO:



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Betsy Brandsgard, Chair, Iowa Telecommunications and Technology Commission